GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy, I&I (Pr-III) Dept - Post facto approval for Agreement between the Govt.of A.P., and three (3) power utilities namely (i) APTRANSCO, (ii) APSPDCL and (iii) APEPDCL for availing World Bank loan for the project "24x7 Power for All" (Loan No.000009-I-IND and 8755-IN) which was submitted by APTRANSCO - Accorded - Orders - Issued.

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ENERGY, INFRASTRUCTURE & INVESTMENT (POWER-III) DEPARTMENT

G.O.MS.No. 35 Dated: 06-12-2017

Read the following:-

1. Agreement between the Govt.of A.P., and APTRANSCO/APSPDCL/APEPDCL Loan No.000009-I-IND, dated 06/10/2017.
2. Agreement between Govt.of A.P., and APTRANSCO/APSPDCL/APEPDCL Loan No.8755-IN, dated 11/10/2017.
3. From the Advisor, Energy, I&I Dept, Note No.Nil, dated 17/10/2017.

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ORDER:

In the references 1st and 2nd read above, the Government of Andhra Pradesh had signed Agreements with three (3) power utilities namely (i) Transmission Corporation of Andhra Pradesh Ltd (APTRANSCO), (ii) Southern Power Distribution Company of Andhra Pradesh Ltd (APSPDCL) and (iii) Eastern Power Distribution Company of Andhra Pradesh Ltd (APEPDCL) for availing World Bank loan for the project "24x7 Power for All" (Loan No.000009-I-IND and 8755-IN).

2. The Agreement and the details of the loans are as follows:-

a) World Bank (IBRD & AIIB) have agreed to extend financial support for the "Andhra Pradesh 24X7 - Power for All Project" to the extent of 400 Million dollars in the first tranche;

b) The Loan agreement was signed between Government of India and IBRD (International Bank for Reconstruction and Development) & AIIB (Asian Infrastructure Investment Bank) on 22nd June, 2017;

c) The Project agreement was signed between Government of Andhra Pradesh, APTRANSCO, APEPDCL & APSPDCL and IBRD (International Bank for Reconstruction and Development) & AIIB (Asian Infrastructure Investment Bank) on 22nd June, 2017;

d) The Repayment of Principle Loan amount to the World Bank in 28 Installments with effect from August, 2022 to February, 2036 (in every year 15th February & 15th August). The Rate of Interest as on date is about 2% p.a.;

The details of the loan agreement are as follows:-

1. (a) Loan from World Bank - USD 240 Million;
   (b) Loan from AIIB - USD 160 Million;
   Total Loan Amount - USD 400 Million

2. Spread over reference - Variable Spread
   Applicable interest rate - LIBOR + Variable spread
   Depending upon the average repayment period inclusive of grace period. Negotiated period works out to 19 years including grace period of 5 years. Accordingly, the variable spread will be fixed.

(P.T.O.)

3. Repayment terms level repayment.
   In half yearly installments due on 15th February and August each other commencing from 15th August, 2022 and ending with 15th February, 2036;

4. Frontend fee is payable @ 0.25% of the loan amount;

5. Commitment fee of 0.25% is payable on undrawn loan balance.

3. Government hereby conveys **post facto approval** for Agreement between the Government of Andhra Pradesh and three (3) power utilities namely (i) Transmission Corporation of Andhra Pradesh Ltd (APTRANSCO), (ii) Southern Power Distribution Company of Andhra Pradesh Ltd (APSPDCL) and (iii) Eastern Power Distribution Company of Andhra Pradesh Ltd (APEPDCL) for availing World Bank loan for the project "24x7 Power for All" (Loan No.000009-I-IND and 8755-IN), as advised by Finance Department.

4. The Chairman & Managing Director, APTRANSCO, Chairman & Managing Director, APEPDCL and Chairman & Managing Director, APSPDCL shall take necessary action accordingly.

5. This order issues with the concurrence of Finance Department; vide their Endt.No.28/16/2017-SO(PMU-EAP)-FIN, dated 14/11/2017.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
PRINCIPAL SECRETARY TO GOVERNMENT

To
1. The Chairman & Managing Director, APTRANSCO, Vidyut Soudha, Gunadala, Vijayawada
2. The Joint Managing Director (Finance, Commercial, IPC, HRD & IT), APTRANSCO & Member, A.P.Power Coordination Committee, Vidyut Soudha, Gunadala, Vijayawada
3. The Chairman & Managing Director, APEPDCL, Visakhapatnam
4. The Chairman & Managing Director, APSPDCL, Tirupati

Copy communicated to:-
1. The General Administration (Cabinet-I) Department (W.r.t.Council Resolution No.462/2017, dated 01/12/2017)
2. The Finance (B & IF) Department
3. The P.S.to Prl.Secretary to Chief Minister (GSP)
4. The P.S.to Chief Secretary to Government
5. The P.S.to Minister for Energy
6. The P.S.to Prl.Secretary to Govt, Energy, I&I Dept
7. The Advisor to Prl.Secretary to Govt, Energy, I&I Dept
8. SF/SCs (C.No.397/Power-III/2015) (Computer No.87160)

// FORWARDED:: BY ORDER //

SECTION OFFICER